

Before the
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

DOCKET NO. 2020-____-C

IN RE:

Application of CarolinaConnect Cooperative, Inc.)
For Designation as an Eligible)
Telecommunications Carrier)
Pursuant to Section 214(e)(2) of the)
Communications Act of 1934)

**APPLICATION OF CAROLINACONNECT COOPERATIVE, INC.
FOR DESIGNATION AS AN
ELIGIBLE TELECOMMUNICATIONS CARRIER**

Pursuant to Section 214(e)(2) of the Communications Act of 1934 (the “Act”)¹ and Section 103-690 of the South Carolina Code of Regulations,² CarolinaConnect Cooperative, Inc. (“CarolinaConnect,” the “Applicant,” or the “Company”), hereby files this Application with the South Carolina Public Service Commission (“Commission”) for designation as an Eligible Telecommunications Carrier (“ETC”) in the State of South Carolina.

This designation is sought in all areas where CarolinaConnect, through its participation in the Rural Electric Cooperative Consortium, has been allocated Rural Digital Opportunity Fund (“RDOF”) Phase I support by the Federal Communications Commission (“FCC”) as a winner in the RDOF Phase I auction (“Auction 904”).³

¹ 47 U.S.C. § 214(e)(2).

² S.C. Code R.103-690.

³ *Rural Digital Opportunity Fund Phase I Auction (Auction 904) Closes, Winning Bidders Announced, FCC Form 683 Due January 29, 2021*, AU Docket No. 20-34, WC Docket No. 19-126, WC Docket No. 10-90,

I. INTRODUCTION.

CarolinaConnect meets all of the statutory and regulatory requirements and prerequisites for ETC designation. Designation of CarolinaConnect as an ETC in the State of South Carolina will serve the public interest by enabling Applicant to provide subsidized broadband and voice services to consumers and businesses in its proposed ETC Designation Area.⁴

In accordance with the Commission's Order 2001-419,⁵ CarolinaConnect will contribute to the South Carolina Universal Service Fund based on revenues that it earns from its South Carolina customers if it is designated as an ETC.

If designated as an ETC, CarolinaConnect will use high-cost support it receives to assist with the deployment of its voice and broadband network to serve consumers throughout its proposed ETC Designation Area; to offer and maintain high-quality voice and broadband services to customers; to ensure the reliability of its network providing advanced broadband services to the public. Additionally, high-cost support will enable CarolinaConnect to provide Lifeline discounted service to qualifying low-income customers who reside within the Company's service areas and who may otherwise not afford service.

CarolinaConnect is obligated by the FCC to obtain ETC designation status by June 7, 2021, which is 180 days after the announcement by the FCC on December 7, 2020, that the Company is a winning bidder in the RDOF Phase I auction in the census blocks in which the Company was

FCC Public Notice, DA 20-1422 (Dec. 7, 2020). The Rural Electric Cooperative Consortium submitted a short-form application in the RDOF Phase I auction that included CarolinaConnect.

⁴ The "proposed ETC Designation Area" is the geographic area in the State of South Carolina comprised of the RDOF Phase I-eligible census blocks identified by CarolinaConnect in **Exhibit A**.

⁵ *Proceeding to Establish Guidelines for an Intrastate Universal Service Fund*, Docket No. 97-239-C, Order on Universal Service Fund, Order No. 2001-419 (June 6, 2001), accessed at <https://dms.psc.sc.gov/Attachments/Order/1FD07089-EF67-A30E-7075D29870C6B95D>.

awarded RDOF Phase I support.⁶ As a result, CarolinaConnect requests expeditious action by the Commission so that the Company may meet this FCC requirement.

Please address all correspondence, communications, pleadings, notices, orders, and decisions relating to this Application to:

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II. BACKGROUND.

CarolinaConnect is a domestic non-profit Internet cooperative organized and existing under the laws of the State of South Carolina. It was incorporated in South Carolina on February 5, 2016, and is currently in good standing. Voting control over the operations of CarolinaConnect is exercised by members of its Board of Directors, each of whom is also associated with an electric cooperative operating in South Carolina.

Of the four individuals comprising the CarolinaConnect Board of Directors, one is the Chief Executive Officer of Newberry Electric Cooperative, Inc. ("Newberry ECI"), one is a member of the Board of Directors of Newberry ECI, one is the Chief Executive Officer of Mid-Carolina

⁶ *Rural Digital Opportunity Fund, et al.*, WC Docket No. 19-126, *et al.*, Report and Order, 35 FCC Rcd 686, 727 (¶ 92) (2020) ("RDOF Order") (establishing the 180-day deadline).

Electric Cooperative, Inc. (“Mid-Carolina ECI”), and one is a member of the Board of Directors of Mid-Carolina ECI.⁷

CarolinaConnect intends to provide FTTH access to broadband service and VoIP voice service to all members of Newberry ECI, and to all members of Mid-Carolina ECI.

Newberry ECI, which was formed in 1940, serves the majority of Newberry County as well as portions of Fairfield, Laurens, and Lexington Counties. Mid-Carolina ECI, also formed in 1940, provides electric service in Lexington, Richland, Saluda, Aiken, and Newberry Counties.

CarolinaConnect has explained that, through its partnerships with these electric cooperatives, it is working “to bridge the high-speed internet service gap that affects many electric co-op members today[,]”⁸ and that it is “bringing faster, dependable and more affordable internet service to electric co-op members.”⁹ CarolinaConnect will deploy broadband and interconnected VoIP-based voice services throughout the RDOF Phase I-eligible census blocks identified in **Exhibit A** and seeks High-Cost and Low-Income (Lifeline) ETC designation from the Commission to serve these census blocks. A map of CarolinaConnect’s proposed ETC Designation Area is provided in **Exhibit B**.

CarolinaConnect will offer low-latency broadband service at actual speeds of at least 1 Gigabit per second downstream and 1 Gigabit per second upstream and at least 2 Terabytes of monthly usage. In addition, Applicant will provide its customers with voice-grade access to the Public Switched Telephone Network (“PSTN”) through its provision of interconnected VoIP-based voice service.

⁷ None of these individuals has any direct or indirect equity or ownership interest in CarolinaConnect, Inc. In addition, neither Mid-Carolina ECI nor Newberry Electric ECI has any direct or indirect equity or ownership interest in CarolinaConnect.

⁸ CarolinaConnect Website, accessed at <https://www.carolinaconnect.com/about>.

⁹ *Id.*

III. THE COMMISSION HAS JURISDICTION AND AUTHORITY TO DESIGNATE ELIGIBLE TELECOMMUNICATIONS CARRIERS.

Section 254(e) of the Act provides that “only an eligible telecommunications carrier designated under section 214(e)(2) shall be eligible to receive specific federal universal service support.”¹⁰ Section 214(e)(2) of the Act states that state commissions “shall designate” common carriers that meet the statutory requirements as ETCs. The FCC has further ruled that Section 214(e)(2) of the Act “provides state commissions with the primary responsibility for designating ETCs.”¹¹

Section 103-690.A.3 of the S.C. Code Regulations references “the commission’s authority and jurisdiction to impose such regulations on ETCs ... as are in the public interest[,]”¹² and Section 103-690.C establishes the requirements that an applicant must meet in order to be designated an ETC.¹³ Therefore, the Commission has the authority and the primary responsibility under federal law to designate CarolinaConnect as an ETC for federal universal service support purposes.

IV. CAROLINACONNECT MEETS ALL FEDERAL AND STATE STATUTORY AND REGULATORY REQUIREMENTS TO BE DESIGNATED AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER.

As demonstrated in the following sections, CarolinaConnect satisfies each of the statutory and regulatory requirements for designation as an ETC, as set forth in the Act, in the FCC’s rules, and in the rules of the Commission.

¹⁰ 47 U.S.C. § 254(e).

¹¹ *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 20 FCC Rcd 6371, 6372 (¶ 1, n.2) (2005) (emphasis added) (interpreting 47 U.S.C. § 254(e)(2)). See S.C. Code R.103-690 (designation of eligible telecommunications carriers), R.103-690.1 (annual reporting requirements for designated eligible telecommunications carriers).

¹² S.C. Code R.103-690.A.(3). The Commission also indicates that its regulations establishing requirements for the designation of ETCs are for “the purpose of receiving federal universal service support, not state universal service support” *Id.*, R.103-690.A.1.

¹³ *Id.*, R.103-690.C.

A. CarolinaConnect Will Provide Service as a Common Carrier.

To be designated as an ETC, an applicant must be a common carrier.¹⁴ For the customers and locations where RDOF Phase I support has been allocated, CarolinaConnect will provide its services on a common carrier basis. As certified by an officer of the Company, CarolinaConnect is a common carrier for purposes of Section 214(e) of the Act.¹⁵

B. CarolinaConnect Will Offer the Services Supported by the Federal Universal Service Support Mechanisms.

To be designated as an ETC, an applicant must offer throughout its proposed service areas the services set forth in Section 54.101(a) of the FCC's rules,¹⁶ either by using its own facilities or a combination of its own facilities and the resale of another carrier's services.

Attached as **Exhibit C** is a sworn affidavit stating that CarolinaConnect commits to offer all of the services designated for support by the Federal Communications Commission.¹⁷ As discussed in the following sections, the Company will offer, upon designation as an ETC, all of the supported services throughout the areas in which the Company is requesting designation as an ETC. The Company commits to provide these services consistent with applicable FCC rules relating to high-cost universal service support.

1. Voice Grade Access to the Public Switched Telephone Network.

¹⁴ 47 U.S.C. § 214(e)(1) (providing that a "common carrier" must be designated as an ETC to receive universal service support). The Act defines a "common carrier" as "any person engaged as a common carrier for hire, in interstate or foreign communication by wire or radio or interstate or foreign radio transmission of energy" 47 U.S.C. § 153(11).

¹⁵ See **Exhibit C**.

¹⁶ 47 CFR § 54.101(a).

¹⁷ See *Designation of Fort Mojave Telecommunications, Inc., et al., as Eligible Telecommunications Carriers Pursuant to Section 214(e)(6) of the Communications Act*, AAD/USB File No. 98-28, Memorandum Opinion and Order, 13 FCC Rcd 4547, 4552 (¶ 11) (1998) ("*Fort Mojave*"). In *Fort Mojave*, the FCC indicated that it will designate carriers as ETCs, pursuant to Section 214(e)(6) of the Act, upon finding that they "offer or will be able to offer" the supported services throughout the service area.

Section 54.101(b) of the FCC's rules provides that an ETC must provide "voice telephony service" in order to receive federal universal support.¹⁸ Section 54.101(a)(1) provides that:

Eligible voice telephony services must provide voice grade access to the public switched network or its functional equivalent; minutes of use for local service provided at no additional charge to end users; access to the emergency services provided by local government or other public safety organizations, such as 911 and enhanced 911, to the extent the local government in an eligible carrier's service area has implemented 911 or enhanced 911 systems; and toll limitation services to qualifying low-income consumers as provided in subpart E of this part.¹⁹

CarolinaConnect will meet this requirement through the provision of IP-based voice service that is interconnected to the PSTN. The Company will be legally responsible for dealing with customer problems, providing quality of service guarantees, and meeting universal service-related requirements.

CarolinaConnect will offer stand-alone voice telephony service throughout its proposed ETC Designation Area and will offer such service at rates that are reasonably comparable to urban rates. This service will include minutes of use for local service provided at no charge to end users and access to emergency service via E-911, wherever available from local government or public safety organizations. The Company also commits to provide toll limitation services to qualifying low-income consumers as provided in Sections 54.400-54.423 of the FCC's rules.²⁰

2. Broadband Internet Access Services.

CarolinaConnect's broadband Internet offering will provide the capability to transmit data to, and receive data from, all or substantially all Internet endpoints, including any capabilities that are incidental to, and enable the operation of, communications services.²¹ The Company will (1)

¹⁸ 47 CFR § 54.101(b).

¹⁹ *Id.*, § 54.101(a)(1).

²⁰ *Id.*, §§ 54.400-54.423.

²¹ *See id.*, § 54.101(a)(2) (stating that "[e]ligible broadband Internet access services must provide the capability to transmit data to and receive data by wire or radio from all or substantially all Internet endpoints,

offer low-latency Internet service at actual speeds of at least 1 Gbps downstream and 1 Gbps upstream; (2) offer at least 2 terabytes of monthly usage to customers within its proposed ETC Designation Area; and (3) offer such service at rates that are reasonably comparable to urban rates.

3. Lifeline Service.

As required by Section 54.405(a) of the FCC's rules,²² CarolinaConnect will offer subsidized Lifeline voice and broadband services, including a standalone voice service offering, to qualifying low-income consumers in accordance with the FCC's rules within its proposed ETC Designation Area.²³

C. CarolinaConnect Will Comply with Applicable Service and Performance Quality Requirements Adopted by the FCC.

As certified by an officer of the Company,²⁴ CarolinaConnect will comply with the service requirements applicable to the federal universal service support that it receives, including the requirements for receipt of RDOF Phase I support.

Specifically, CarolinaConnect, as a "long-form" applicant for RDOF Phase I support,²⁵ must:

including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up service").

²² 47 CFR § 54.405(a).

²³ *Id.*, §§ 54.400-54.423.

²⁴ See Exhibit C.

²⁵ Each Auction 904 winning bidder "is required to file an application for Rural Digital Opportunity Fund support, referred to as a long-form application" *Rural Digital Opportunity Fund Phase I Auction Scheduled for October 29, 2020, Notice and Filing Requirements and Other Procedures for Auction 904*, AU Docket No. 20-34, *et al.*, Public Notice, 35 FCC Rcd 6077, 6163 (¶ 286) (2020).

(1) certify in its long-form application filed with the FCC that it complies with all statutory and regulatory requirements for receiving the universal service support that it seeks as of the long-form application filing deadline;²⁶

(2) certify to the FCC that it is financially and technically capable of meeting the relevant public interest obligations for each performance tier and latency combination in the geographic areas in which it seeks support;²⁷

(3) certify to the FCC that it will meet the relevant public interest obligations for each performance tier and latency combination for which it was deemed a winning bidder, including the requirement that it will offer service at rates that are equal to or lower than the FCC's reasonable comparability benchmarks for fixed services offered in urban areas;²⁸

(4) demonstrate to the FCC that it has a design plan with supportable technologies to meet the relevant RDOF public interest obligations in the areas covered by the winning bids, by submitting technical information to support the operational assertions made in the short-form application;²⁹ and

(5) certify to the FCC that it will have available funds for all project costs that exceed the amount of RDOF support to be received for the first two years of its support term, and also describe how the required construction will be funded.³⁰

²⁶ *Id.* at 6165 (¶ 296) (citing 47 CFR § 54.804(b)(2)(v)).

²⁷ *Id.* at 6166 (¶ 298) (citing 47 CFR § 54.804(b)(2)(ii)).

²⁸ *Id.* (¶ 299) (citing 47 CFR § 54.804(b)(2)(iii)).

²⁹ *Id.* at 6167 (¶ 301) (citing 47 CFR § 54.804(b)(2)(iv)). The FCC's requirements include a certification from a professional engineer that the long-form applicant's fiber optic network is capable of delivering voice and broadband service that meets the requisite performance requirements and sufficient capacity to meet customer demand at or above the prescribed levels during peak usage periods. *See id.*

³⁰ *Id.* at 6174 (¶ 312) (citing 47 CFR §§ 54.804(b)(2)(v), 54.804(b)(2)(vi)).

D. CarolinaConnect Meets the Requirements Adopted by the South Carolina Public Service Commission To Be Designated as an Eligible Telecommunications Carrier.

As certified by an officer of the Company,³¹ CarolinaConnect will meet each of the requirements applicable to ETCs adopted by the Commission, as described in the following sections.

1. Provision of Service.

CarolinaConnect, throughout its proposed ETC Designation Area, will provide service to all customers making a reasonable request for service, and will provide service on a timely basis to requesting customers within its proposed ETC Designation Area where Applicant's network passes the potential customer's premises.³²

2. Ability to Remain Functional in Emergency Situations.

CarolinaConnect commits that its fiber optic network will have the ability to remain functional in emergency situations, will have a reasonable amount of back-up power to ensure functionality without an external power source, will be able to reroute traffic around damaged facilities, and will be capable of managing traffic spikes resulting from emergency situations.³³

3. Satisfaction of Applicable Consumer Protection and Service Quality Standards.

Under the Commission's regulations, an ETC applicant must demonstrate that it will satisfy applicable consumer protection and service quality standards.³⁴ CarolinaConnect commits to satisfying all such applicable Commission and federal requirements related to consumer protection

³¹ See Exhibit C.

³² S.C. Code R.103-690.C.(a)(1)(A)(1).

³³ *Id.*, R.103-690.C.(a)(2). See 47 CFR § 54.202(a)(2) (providing that a common carrier seeking an ETC designation by the FCC must "[d]emonstrate its ability to remain functional in emergency situations, including a demonstration that it has a reasonable amount of back-up power to ensure functionality without an external power source, is able to reroute traffic around damaged facilities, and is capable of managing traffic spikes resulting from emergency situations").

³⁴ S.C. Code R.103-690.C.(a)(3). See 47 CFR § 54.202(a)(3).

and service quality standards. In addition, with respect to Lifeline service, the Company commits to annually certifying compliance with consumer protection and service quality rules on an annual basis consistent with Section 54.422(b)(3) of the FCC's rules.³⁵

4. Local Usage Plan.

Pursuant to Commission requirements, CarolinaConnect commits to offer a local usage plan that will be comparable to the plan offered by incumbent local exchange carrier(s) ("LEC") in its proposed ETC Designation Area, through the offering of various bundled calling plans and packages.³⁶

5. Equal Access to Long Distance Carriers.

As certified by an officer of the Company,³⁷ CarolinaConnect acknowledges that the FCC may require it to provide equal access to long distance carriers in the event that no other ETC is providing equal access within its proposed ETC Designation Area.³⁸ In addition, pursuant to the Commission's rules,³⁹ the Company will file an annual certification acknowledging the fact that it may be required to provide equal access to long distance carriers in the event that no other ETC is providing equal access within its proposed ETC Designation Area.

6. Use of CarolinaConnect, Newberry ECI, and Mid-Carolina ECI Facilities.

As certified by an officer of the Company,⁴⁰ CarolinaConnect will use its own facilities, as well as those of Newberry ECI and Mid-Carolina ECI, to deploy and operate a state-of-the-art,

³⁵ 47 CFR § 54.422(b)(3).

³⁶ See S.C. Code R.103-690.C.(a)(4).

³⁷ See Exhibit C.

³⁸ See S.C. Code R.103-690.C.(a)(5).

³⁹ *Id.*, R.103-690.1.B(b)(8).

⁴⁰ See Exhibit C.

low-latency, FTTH facilities-based network to provide high-speed broadband Internet access and interconnected VoIP services to customers, within its proposed ETC Designation Area, who lack access to such services.⁴¹

7. Advertising.

As certified by an officer of the Company,⁴² CarolinaConnect will advertise the availability of, and charges for, its supported service offerings, including Lifeline service, using media of general distribution, and will undertake outreach initiatives to increase consumer awareness of its service offerings, consistent with all applicable requirements.⁴³

CarolinaConnect will offer and advertise its broadband and interconnected VoIP services through a combination of media channels, such as newspaper, magazines, and other print advertisements, outdoor advertising, direct marketing, and/or the Internet. The Company also commits to advertise its Lifeline services throughout its proposed ETC Designation Area, and will also provide notices at local unemployment, social security, and welfare offices, in compliance with the Commission's rules.⁴⁴

V. DESIGNATION OF CAROLINACONNECT AS AN ELIGIBLE TELECOMMUNICATIONS CARRIER WILL SERVE THE PUBLIC INTEREST.

The grant of this Application, designating CarolinaConnect as an ETC, will clearly serve the public interest by enabling the Company to provide low-latency, gigabit-speed broadband, and interconnected VoIP-based voice services, to consumers in its proposed ETC Designation Area,

⁴¹ S.C. Code R.103-690.C.(a)(6). *See* 47 CFR § 54.201(d)(1).

⁴² *See* Exhibit C.

⁴³ S.C. Code R.103-690.C.(a)(7). *See* 47 CFR § 54.201(d)(2).

⁴⁴ *Id.*, R.103-690.1.E.(a)(1), R.103-690.1.E.(b)(1).

as well as to provide subsidized voice and broadband services to those households that seek and qualify for federal Lifeline benefits.

An estimated 500,000 South Carolinians living in rural areas currently lack access to high-speed Internet access services,⁴⁵ and the need for broadband service has come into sharp focus “during the COVID-19 pandemic which led to higher demands for virtual education and telemedicine, as well as more people working from home.”⁴⁶ Granting the Application will help to address these issues, while also advancing the Commission’s objective “that consumers in all regions of South Carolina, including those in rural, insular and high-cost areas will have access to telecommunications services comparable to those in urban areas of the state.”⁴⁷

A. Benefits of Increased Consumer Choice.

A principal goal of the Telecommunications Act of 1996 is to “promote competition and reduce regulation in order to secure lower prices and high-quality services for American telecommunications consumers and encourage the rapid deployment of new telecommunications technologies.”⁴⁸ As a general matter, designation of competitive ETCs increases facilities and promotes development and deployment of advanced communications as carriers compete for consumers’ business.

Designation of CarolinaConnect as an ETC in South Carolina will increase consumer choice⁴⁹ by promoting competition, and by facilitating the provision of high-quality communications services to those living and working within its proposed ETC Designation Area. Residents

⁴⁵ Joseph Bustos, *Legislators Aim to Get More SC Residents Access by Passing Broadband Bill*, The State (Sept. 24, 2020), accessed at <https://www.thestate.com/news/politics-government/article245959505.html>.

⁴⁶ *Id.*

⁴⁷ S.C. Code R.103-690.A.2.

⁴⁸ Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (1996) (preamble).

⁴⁹ See S.C. Code R.103-690.C.(b).

in many rural areas have long lagged behind those living in urban areas in receiving advanced broadband services, and in some rural areas no meaningful choices for high-speed broadband services exist. The Company's deployment of low-latency, high-speed broadband service and high-quality VoIP phone services will also promote economic development in the rural areas it will serve.

B. Advantages of CarolinaConnect's Service Offerings.

CarolinaConnect's service offerings will provide unique advantages to consumers in its proposed ETC Designation Area.⁵⁰ Most importantly, the Company's deployment of a new state-of-the-art, low-latency, FTTH network, providing high-speed broadband Internet access and interconnected VoIP services, will provide enormous benefits that previously have been beyond the reach of consumers and businesses in many of South Carolina's rural areas. The FTTH network will ensure reliable access to gigabit tier broadband, thus enhancing educational programs, promoting business growth, generating jobs, and expanding cultural opportunities for South Carolinians.

C. Designation of CarolinaConnect Will Not Result in "Cream-Skimming."

As part of its public interest analysis, the Commission must determine whether CarolinaConnect's designation as an ETC would enable it to "cream-skim," that is, target low-cost portions of a rural incumbent LEC's service area in which uneconomically high levels of support are available.⁵¹

Grant of CarolinaConnect's application would not create any cream-skimming opportunities. The Company has no intention to target any particular service area based on the possibility of

⁵⁰ See *id.*

⁵¹ See *id.*

receiving uneconomic levels of support. In fact, the proposed ETC Designation Area is principally comprised of areas in which Newberry ECI and Mid-Carolina ECI provide electric services to their members.

Moreover, the FCC, in its *RDOF Order*, concluded:

[F]or those entities that obtain ETC designations as a result of being selected as winning bidders for the Rural Digital Opportunity Fund, we forbear from applying section 214(e)(5) of the Act, insofar as this section requires that the service area of such an ETC conform to the service area of any rural telephone company serving an area eligible for Rural Digital Opportunity Fund support.⁵²

The FCC noted that, “[a]ccordingly, Commission rules regarding the redefinition process are inapplicable to petitions that are subject to this order.”⁵³

VI. REQUEST FOR WAIVER OF REQUIREMENT TO SUBMIT A TWO-YEAR UPGRADES OR IMPROVEMENTS PLAN.

CarolinaConnect seeks a waiver of the Commission’s requirement to “submit a two-year plan that describes with specificity proposed improvements or upgrades to the applicant’s network”⁵⁴ Such a waiver is appropriate because deployment obligations and timetables imposed on RDOF Phase I support recipients by the FCC in the *RDOF Order* are sufficient to ensure timely deployment of voice and broadband services, consistent with the policies reflected in the Commission’s two-year plan requirement.

Specifically, the FCC requires RDOF Phase I support recipients to commercially offer voice and broadband service to “40% of [a calculated] number of locations in a state by the end of

⁵² *RDOF Order*, 35 FCC Rcd at 728 (¶ 94).

⁵³ *Id.* at 728 (¶ 94 n.268).

⁵⁴ S.C. Code R.103-690.C.(a)(1)(B).

the third full calendar year following funding authorization, and 20% each calendar year thereafter.”⁵⁵ In addition, the FCC requires support recipients to file annual reports containing location and technology data, and to certify when they have met their service milestones.⁵⁶

The FCC has previously decided that similar service milestones and reporting requirements applicable to Connect America Fund (“CAF”) Phase II support recipients warranted waiver by the FCC of its requirement, in Sections 54.202(a)(1)(ii) and 54.202(a)(3) of its rules,⁵⁷ that support recipients must file five-year improvement plans, finding that its detailed buildout obligations for CAF Phase II support recipients provide a “more defined yardstick [than the five-year improvement plans] by which to measure [carriers’] progress towards the universal availability of voice and broadband service in their areas”⁵⁸

For the same reasons, CarolinaConnect requests that the Commission waive the requirements of Reg. 103-690.C.(a)(1)(B) to submit a two-year plan describing the proposed improvements or upgrades. The Commission has previously granted such a waiver in response to a petition filed by a CAF Phase II auction winning bidder that was seeking an ETC designation.⁵⁹ If the waiver is granted, then, instead of filing the two-year plan, the Company will make available to

⁵⁵ *RDOF Order*, 35 FCC Rcd at 709 (¶ 45).

⁵⁶ *Id.* at 712 (¶ 56).

⁵⁷ 47 CFR §§ 54.202(a)(1)(ii), 54.202(a)(3).

⁵⁸ *WCB Reminds Connect America Fund Phase II Auction Applicants of the Process for Obtaining a Federal Designation as an Eligible Telecommunications Carrier*, WC Docket No. 09-197, *et al.*, Public Notice, 33 FCC Rcd 6696, 6700 & n.34 (quotation marks and citation omitted).

⁵⁹ *See Application of Horry Telephone Company for Designation as an ETC in Certain Census Blocks in Georgetown and Marion Counties for Purposes of Receiving Federal Connect America Fund (“CAF”) Phase II Support*, Docket 2018-346-C. The Commission granted Horry’s application, and specifically granted its request for waiver of the requirement to file a two-year plan.

the Commission and the Office of Regulatory Staff all reports it is required to file with the FCC in connection with the funding awarded in the RDOF Phase I auction.

VII. CONCLUSION.

For all of the foregoing reasons, CarolinaConnect Cooperative respectfully requests that the Commission designate it as both a High-Cost and Low-Income Eligible Telecommunications Carrier, so that CarolinaConnect will be eligible to receive the Rural Digital Opportunity Fund Phase I support it has been awarded in Auction 904, as well as federal Lifeline support throughout its proposed ETC Designation Area.

Respectfully submitted,



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Counsel to CarolinaConnect Cooperative, Inc.

December 31, 2020

VERIFICATION

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)

I, Glenn Martin, state that I am the Chief Executive Officer of CarolinaConnect Cooperative, Inc.; that I have read the above and foregoing document; that the statements contained therein are true and correct to the best of my information, knowledge, and belief; and that I am authorized to make this statement on behalf of CarolinaConnect Cooperative, Inc..



D. Glenn Martin
Chief Executive Officer
CarolinaConnect Cooperative, Inc.

CERTIFICATE OF SERVICE

The undersigned certifies that a true copy of the foregoing CarolinaConnect Cooperative, Inc. Application for Designation as an Eligible Telecommunications Carrier was served by electronic mail or U.S. Mail, postage prepaid, this 31st day December, 2020, upon the following:

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[Name]

EXHIBIT A

**LIST OF CENSUS BLOCKS IN WHICH
APPLICANT SEEKS DESIGNATION
AS A HIGH COST AND LOW-INCOME (LIFELINE)
ELIGIBLE TELECOMMUNICATIONS CARRIER**

450630209051027	450630214041012	450719506021044	450819603001015
450630209051029	450630214041013	450719506021056	450819603001016
450630209051067	450630214041014	450719506021085	450819603001017
450630209061024	450630214041017	450819602022000	450819603001018
450630209062016	450630214041018	450819602022001	450819603001019
450630212042000	450630214041019	450819602022002	450819603001020
450630212042007	450630214041020	450819602022003	450819603001023
450630212042008	450630214041021	450819602022004	450819603001024
450630212042043	450630214041022	450819602022006	450819603001027
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450819603002068	450819603002098	450819603003001	

EXHIBIT B

MAP OF PROPOSED ETC DESIGNATION AREA

CarolinaConnect Cooperative – Proposed ETC Designation Area in South Carolina

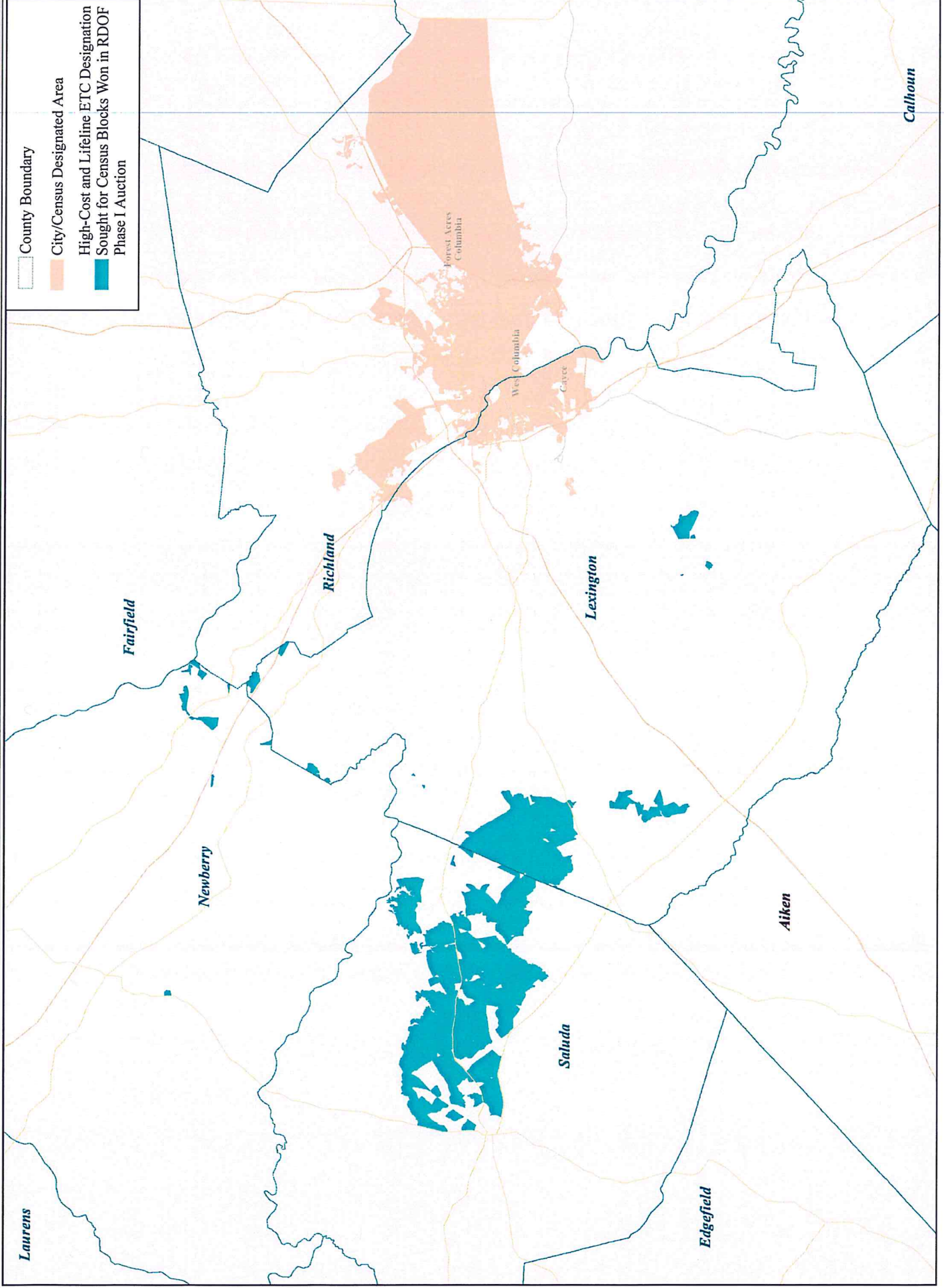


EXHIBIT CAFFIDAVIT OF GLENN MARTIN

Glenn Martin, after being duly sworn, states the following:

1. I have personal knowledge of the facts and information set forth in this Affidavit and I am competent to testify to these facts if called as a witness.
2. I am the Chief Executive Officer of CarolinaConnect Cooperative, Inc. ("Applicant"). I have read the Application to which this Affidavit is attached. I have knowledge of the facts stated in the Application and those facts are true to the best of my knowledge and my belief.
3. Applicant certifies that it is a common carrier under §§ 214(e)(1)-(2) of the Communications Act of 1934 ("Act").
4. Applicant commits to provide the services and functionalities required for designation as an Eligible Telecommunications Carrier ("ETC") in its proposed ETC Designation Area.
5. Applicant certifies that it will meet all of the FCC's requirements for designation as an ETC under § 214(e)(1) of the Act, and all of the Commission's requirements for designation as an ETC.
6. Applicant is eligible to be designated as an ETC within the meaning of Section 214(e) of the Act and is eligible to receive federal universal service support pursuant to Section 254(e) of the Act.
7. Applicant will use the federal high-cost support funds that it receives only to provide, deploy, upgrade and/or maintain facilities and services for which the support is intended.



D. Glenn Martin
Chief Executive Officer
CarolinaConnect Cooperative, Inc.

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)

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Subscribed and sworn to before me this 31st day of December, 2020.


Notary Public